## **REMARKS**

This application has been reviewed in light of the Office Action mailed October 18, 2005. Reconsideration of this application in view of the below remarks is respectfully requested. Claims 1-15 are pending in the application with Claims 1, 7 and 13-15 being in independent form. By the present amendment, Claims 1, 7 and 13-15 have been amended and Claims 2 and 8 have been canceled. As the amendments to Claims 1, 7 and 13-15 are based on limitations recited in original Claims 2 and 8, no new subject matter is introduced into the disclosure by way of the present amendment.

## I. Rejection of Claims 1-15 Under 35 U.S.C. § 103(a)

Claims 1-15 are rejected under 35 U.S.C. § 103(a) as allegedly being obvious over U.S. Patent No. 6,798,893 issued to Tanaka in view of "Digital Watermarking of MPEG-2 Coded Video in the Bitstream Domain" written by Hartung et al.

Claims 1, 7 and 13-15 have been amended to recite the limitation of: "...pattern data being modified by the inserting device to have the insertion intensity, the modified pattern data subsequently being inserted into the picture". Additionally, Claims 2 and 8 have been canceled, as these claims recite identical limitations as Amended Claims 1 and 7 from which they depend.

Tanaka discloses a technique where a content-provider may control a watermark pattern to insert the pattern into the baseband, or non-compressed image data. In MPEG video compression, motion compensation is used to exploit temporal redundancy and thereby remove redundancy between video frames. Motion between a preceding and a current frame, and motion between a current and subsequent frame determines the picture type of the current frame. In this context, Tanaka discloses that the insertion intensity of a watermark inserted into the current frame is dependent on the picture type of the current picture.

Furthermore, as recited in the present claims, a watermark to be inserted is modified to achieve the insertion intensity according to the picture type. In contrast, Tanaka discloses that a watermark selector (107) selects a watermark from a watermark table (108), whereupon a watermark insertion portion (105) inserts the selected watermark. According to Tanaka, the watermarks to be inserted are previously stored and selected, not modified. There is no suggestion in Tanaka of modifying the intensity level of a watermark depending on the specific type of picture frame into which the watermark is inserted.

Hartung et al. discloses inserting watermarks into MPEG-2 code video without needing to decompress the video signal by performing the insertion in the bitstream domain. However, Hartung et al. does not disclose or suggest varying the intensity of a watermark based on the picture frame type into which the watermark is inserted.

Hence, Tanaka and Hartung et al., taken alone or in ay proper combination, fail to disclose or suggest modifying the intensity of a watermark as taught in the present application. Therefore, for at least the reasons given above, Claims 1, 3-7 and 9-15 are believed to be patentably distinct and allowable over the cited prior art references. Accordingly, Applicant respectfully requests withdrawal of the rejection with respect to Claims 1, 3-7 and 9-15 under 35 U.S.C. § 103(a) over Tanaka and Hartung et al.

## **CONCLUSIONS**

In view of the foregoing amendments and remarks, it is respectfully submitted that all claims presently pending in the application, namely, Claims 1, 3-7 and 9-15 are believed to be in condition for allowance and patentably distinguishable over the art of record.

If the Examiner should have any questions concerning this communication or feels that an interview would be helpful, the Examiner is requested to call Applicant's undersigned attorney at the number indicated below.

Respectfully submitted,

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